

FIRST EDITION
INTERNAL REVENUE.

Report of Commissioner Delano—Receipts for 1869 and 1868 Compared—The Tax on Spirits and Tobacco—Revenue Stamps—The Income Tax—Expense of Collecting the Revenue.

The following extracts from Hon. Columbus Delano's report, transmitted to Congress to-day, will be found to contain all the matters in which the public is most directly interested:

Receipts for the First Six Months of the Fiscal Year 1869 and 1868 Compared.
A comparative statement is submitted, showing the total receipts from the same general sources of tax for the first six months of the fiscal year 1869 and 1868:

From July to December, 1868, inclusive, \$67,996,888
From July to December, 1869, inclusive, \$61,116,690

Total gain for first six months of 1869, 1,156,355
The following table exhibits the loss and gain on the several articles subject to taxation during the same periods, and explains the sources from which the gain was made:

Comparative table showing the aggregate receipts from the same general sources of revenue, taxable under existing laws, for the first six months of the fiscal year ending June 30, 1869; also, the gain or loss, and gain or loss per cent, of those in the latter over those in the former period.

SOURCES OF REVENUE.	1868.	1869.	Gain.
Spirits.	\$1,050,490	\$1,124,422	\$73,932
Tobacco.	1,050,490	1,050,490	0
Revenue stamps.	3,349,609	3,216,675	-132,934
Sales.	2,504,609	2,504,609	0
Income, including	2,101,114	1,303,615	-797,499
Loss.	1,454,376	1,359,958	-94,418
Special taxes not enumerated.	5,109,083	5,474,569	365,486
Excises.	51,147	494,054	442,907
Articles in Schedule A.	5,506,284	5,111,028	-395,256
Imports.	1,200,000	1,200,000	0
Gas.	73,727	83,116	9,389
Possibilities.	494,271	494,271	0
Net receipts.	6,560,227	7,148,062	587,835
Stamp.	6,560,227	7,148,062	587,835
Total.	\$66,110,690	\$7,256,384	\$1,156,355

Total gain for the above period \$1,156,355, or 1.8-10

During this period the amount gained on spirits is \$73,932, or 7-100 of the total gain. The amount gained on stamps is \$365,486, or 31-100 of the total gain. The greatest loss from any one source of taxation for this period was upon incomes, which lost \$797,499, or 6-100 of the total gain. In other taxes, not included under spirits, tobacco, etc., the loss was \$94,418, or 1-100 of the total gain.

Receipts for the Last Six Months of the Fiscal Year 1869 and 1868 Compared.
A comparative statement is submitted, showing the receipts from the same sources for the last six months of the fiscal years 1868 and 1869:

From January to June, 1869, inclusive, \$60,542,769
From January to June, 1868, inclusive, \$64,479,945

Total gain of last six months of 1869 over 1868, \$3,937,176

In considering the large increase of revenue from distilled spirits for the last six months of the fiscal year ending June 30, 1869, the following facts should be remembered. There were in bonded warehouses on 1st July, 1868, as shown by the accounts of this office, 27,275,294 gallons of spirits. This included all claims for leakage then outstanding, and a large quantity claimed to have been destroyed by the burning of the Federal Arsenal at Fort Mifflin, which was well substantiated and previously been withdrawn upon fraudulent bonds and were still unaccounted for.

Under the provisions of the act of July 20, 1868, as amended, all spirits in bonded warehouse at the time of the passage of the act were required to be withdrawn and the tax paid thereon by the 1st of July, 1869. The spirits were necessarily forced upon the market during this fiscal year, and served, to that extent, to increase the revenue from this source. While on 1st July, 1869, there remained in bonded warehouse of the new product only 16,683,588 gallons. It thus appears that the quantity of spirits in bond at the time of the passage of the act was 10,591,706 gallons, and that the quantity which was compelled to be withdrawn and tax paid for the fiscal year ending June 30, 1869, was 10,591,706 gallons.

The following table shows the receipts for distilled spirits and for brandy for the four years ending June 30, 1869:

Year.	Spirits.	Brandy.
1866.	\$23,158,735	\$23,158,735
1867.	\$23,158,735	\$23,158,735
1868.	\$23,158,735	\$23,158,735
1869.	\$23,158,735	\$23,158,735

Referring to the comparative statements of receipts for different periods so far as the same relate to tobacco, I have to say that, during the first six months of the fiscal year 1869, the receipts were over the corresponding period for the year 1868 was fifty-six per cent.

The loss on chewing and smoking tobacco for the same period was per cent; the increased revenue from these articles under the law of July 20, 1868, not being realized until after January 1, 1869, while on the other hand, the gain in cigars commenced immediately after the passage of the law.

The number of cigars returned for taxation during the last seven years is as follows:

247,443,894 cigars were returned for taxation, while under the present law there were returned for the year 1869 nearly three times the quantity, with the tax at the uniform rate of five dollars per thousand. The amount of tax collected on cigars was for the fiscal year 1869.....	\$1,957,679
1866.....	3,474,438
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Showing an increase of revenue on one million for 1869 over 1866, at half the rate	